

Summary of 9-25-12 interview of Jason Summers

Interview and summary by Thomas M. Patton, Deputy Attorney General

Background and Employment History

Jason Summers started at the Department of Parks and Recreation in 2004. Summers is a staff services manager I currently assigned to the performance management unit in the administrative services division. (Jason Summers 9-25-12 interview transcript (JStr), pp. 2-3, 7.)

From 2004 to 2007, Summers was the support budget manager in the Department's budget office.¹ In his first six months, Summers reported to then-budget officer Becky Brown and her assistant Marcy Brown. For the duration of his time in the budget office Summers reported directly to Manuel Lopez, both while Lopez was the budget officer in 2005 and 2006, and after Lopez became the head of the administrative services division in 2007.² (JStr, pp. 7-9.)

By 2008 Summers moved to the Department's personnel office. He was the classification pay manager for one year, and from 2009 to 2011 was the assistant personnel officer. Summers was again promoted and served as the chief personnel officer from July 2011 to July 2012. Summers was demoted to his current position in July 2012 following a separate investigation into issues surrounding the cashing-out of employees' leave time. (JStr, pp. 3-7.)

Disparities in and Changes to Balances Reported for the State Parks and Recreation Fund

1. Discovery and internal discussions, part one

While Summers was support budget manager in the budget office, one of his duties was to prepare fund conditions statements. Summers states he only prepared fund condition statements one year, and recalled it was for the 2006-07 fiscal year. (JStr, 9-13.)

Summers stated that when he prepared the fund condition statement portion of the budget documents, or "galleys," to be submitted to the Department of Finance (DOF), he utilized the information set out in the accounting reports the Department provided to the State Controller's

¹ Marilyn Evans-Jones later held the position and explained that the "support budget manager" is the number two position in the budget office and supervises the staff that constructs the "support budget" as opposed to the "local assistance" or "capital outlay" budgets. (Marilyn Evans-Jones 9-21-12 interview transcript, pp. 4-8.)

² See Manuel Lopez 9-28-12 interview transcript, at page 92.

Office (SCO). Summers recalled that, for the State Parks and Recreation Fund (SPRF), the figures in the accounting report he was using did not match the prior year's fund condition statement.³ He recalled that Lopez advised him the SPRF fund condition statement Summers had worked up using information from the accounting report, and which statement he had then shown to Lopez, was not correct. Summers initially recounted that Lopez explained an error had been made "in the comptroller's side of it" and that corrections would have to be made over a course of years by way of "planning estimate adjustments." Summers subsequently advised he was not sure whether Lopez had explained that the problem was an error in accounting reports or in a prior fund condition statement. Summers stated that Lopez informed him Lopez learned about the error from former budget officer Becky Brown, and thus the error had occurred before Lopez's time and had continued to the present. (JStr, pp. 11, 13-20, 24-25, 32-34.)

Summers stated that he went along with Lopez's explanation, and that a change was then made to the SPRF fund condition statement he had worked up so that the information provided was the same as had been reported for the Governor's budget the previous year. Summers specifically recalled that a number in the SPRF fund condition statement was changed which reduced the amount of monies reflected as being in the SPRF, although he could not recall how much the figure was reduced. (JStr, pp. 12, 21-23, 35.)

When asked whether Summers, Lopez, or someone else made that change, Summers stated he did not remember, but imagined it was either Lopez or himself since the fund condition statement was their responsibility. In any event, Summers reports that the change was made as instructed by Lopez and to the figure Lopez directed. (JStr, p. 23.)

Summers recalled that the past error resulted in a discrepancy between balances reflected for the SPRF in the accounting versus the budget reports, and resulted in less money being reported in budget documents than actually existed per the accounting reports. Summers stated he has read that the discrepancy amounts to \$20 million, while he recalled the disparity being "more like twelve" million dollars in 2007. Summers then indicated he did not have a firm grasp as to the exact number either then or now. (JStr, pp. 24-25, 27-28, 36.)

³ The name of the fund at issue was not specifically identified at the outset, but was later clearly identified as the State Parks and Recreation Fund. (JStr, pp. 38, 42, 46.)

2. Correcting the discrepancy in SPRF fund balance reports

Summers indicated that he and Lopez discussed a plan to rectify the disparate SPRF fund balance reports. Specifically, Summers advised the plan was to insert over the ensuing years a series of two, three, or four-million-dollar annual adjustments to “planning estimates” set forth in the SPRF fund condition statement. Summers explained that such “planning estimates” equate to SPRF revenue forecasts. (JStr, pp. 25-27, 35.) Summers was asked if Lopez ever mentioned adjusting actual revenue numbers as part of this rectification plan. Summers stated “no,” and advised that Lopez did not have access to the SPRF revenue numbers because they were controlled by the parks operations division. (JStr, p. 31.)

3. Internal discussions about the SPRF disparity, part two

Summers recalled that after Lopez became deputy director of administrative services Cheryl Taylor came to the Department as the chief budget officer. Taylor noticed and asked Summers about the discrepancy in the SPRF fund balance reports. Summers reports that he told Taylor he was aware of the disparity and that she needed to talk to Lopez about it because Summers “didn't really understand” “how it all worked.” When asked if he also discussed the discrepancy with Taylor’s assistant, Marilyn Evans-Jones, Summers indicated he may have since they worked together, and he would have directed them both to Lopez. (JStr, pp. 32-34.)

Later in the interview, Summers acknowledged being asked by Taylor and Evans-Jones about the discrepancy, and noted it was logical for them to do so since they worked in the budget office. Summers denied, however, that he stated to either of them “if I tell you I will have to kill you.”⁴ Summers also indicated they are both disgruntled former employees now suing the Department. (JStr, pp. 47-49.)

Summers was asked if he ever discussed the disparity again with Lopez. Summers stated he believed he had over the years, and that he brought it up with Lopez near the end of 2010 or in 2011. He recalled the Department had suffered budget cuts the previous two fiscal years, was then facing another, and was desperate for any solution to avoid park closures and layoffs. Summers stated that he knew there were monies in the SPRF, and with the Department facing

⁴ In their interviews, both Taylor and Evans-Jones indicated this was part of Summers’ response. (Cheryl Taylor 8-30-12 interview transcript, p. 80; Marilyn Evans-Jones 9-21-12 interview transcript, p. 9.)

possible park closures, he wondered if monies could be utilized to help avoid that. Summers reports that Lopez told him the issue was not on the table. (JStr, pp. 36-37, 40-44.)

Summers also stated he had “some vague recollection,” and that in “some context,” former chief deputy director Michael Harris had recognized there was a discrepancy in the two fund balance reports for the SPRF. Summers could not identify a particular meeting or date when Harris had acknowledged the discrepancy, and stated he could not swear he had been part of a conversation with Harris about it. (JStr, pp. 37, 51-52.)

Summers advised that he attended one or two executive committee meetings at Parks and does not recall the subject of any reserve funds in the SPRF being mentioned. He stated no one has ever specifically advised him whether or not former director Ruth Coleman was ever briefed about the discrepancy issue. Summers stated, however: “I can’t imagine, in her role, that she wasn’t briefed by Manny [Lopez].” (JStr, pp. 50-53.)

Additional Topics

1. Off-Highway Vehicle Fund

Summers was asked if he had ever run across any similar issues concerning disparities in fund balances reported for the Off-Highway Vehicle Fund. Summers stated that he had not, and that he was surprised to read about such disparities in the newspaper. (JStr, pp. 38-39.)

2. Automated pay machine and park shower monies

Summers was asked if he had ever discussed revenues from automated park entrance pay machines or park showers with Lopez. Summers indicated he had not, but that current administrative services deputy director Aaron Robertson had mentioned the issue. Summers stated he understood from Robertson’s reports that Lopez had authorized the treatment of some automated revenues as advance collections or reimbursements. Summers opined that advance collections only work under a two-party contract, and he did not believe the Department could properly retain revenues as advance collections absent such a contract. (JStr, pp. 56-58.)

3 Miscellaneous Parks employee relationships

Summers advised that his father-in-law is Tom Domich, former manager of what was then called the financial management section of administrative services. Summers stated that he purposely waited for Domich to retire before applying to work at the Department. Summers

further stated that he and Domich have discussed the leave cash-out issue, but they have not discussed the SPRF fund balance discrepancy issue. (JStr, pp. 61-62, 65.)

Summers advised that Domich and Denzil Verardo, former deputy director of administrative services, are close friends. Summers states that Verardo served as Summers' representative at a disciplinary hearing following the leave cash-out matter. (JStr, pp. 62-63, 65.)

4. Concluding Comments

As the interview concluded, Summers stated he was "still not sure if it's a negative thing." He stated that "there are errors abundant within all sorts of things," and that "there's all sorts of things in the Governor's budget that aren't a hundred percent accurate." Summers thus observed that the logic and plan Lopez offered of incrementally correcting the discrepancy over the course of years did not strike Summers as something wrong. (JStr, pp. 69-70.)